REMARKS

This Amendment is submitted in response to the Office Action mailed on June 22, 2006. Claims 1 and 10 have been amended, and claims 1-18 remain pending in the present application. Claims 19-26 stand withdrawn from consideration pursuant to a restriction requirement raised by Examiner. Applicants' counsel appreciates the courtesy extended by Examiner Chan during the telephone interview conducted on June 29, 2006. As set forth below, Applicants have amended each of independent claims 1 and 10 as discussed during the telephone interview and respectfully request that the rejections be withdrawn. In view of the foregoing amendments, as well as the following remarks, Applicants respectfully submit that this application is in complete condition for allowance and requests reconsideration of the application in this regard.

Claims 1-18 stand rejected under 35 U.S.C. §102(b) as being anticipated by Weinundbrot, WO 93/08081. While Applicants respectfully traverse these rejections, Applicants have amended each of independent claims 1 and 10 as discussed during the telephone interview to more sharply define the claimed invention over the prior art of record. Examiner agreed that these amendments, as proposed during the telephone interview, appear to place the pending claims in condition for allowance.

In particular, Applicants have amended each of independent claims 1 and 10 to clarify that the label applicator arm rotates about the generally vertical axis during

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application of the printed label (claim 1) or labels (claim 10) to the one side (claim 1) and two sides (claim 10) of the loaded pallet.

During the telephone interview, Applicants' counsel and Examiner discussed the label applicator system of Weinundbrot. During that discussion, it was agreed that the label applicator system of Weinundbrot has a flexible labeling arm (15) that is rotatable about a horizontal axis so that the label applicator system can apply labels to the top and side surfaces of the package (see Figs. 1, and 3-5). While the label applicator system of Weinundbrot has labeling appliances (1, 2) that can be swiveled around a vertical swivel axis (13), Examiner agreed during the telephone interview that the flexible labeling arm (15) of Weinundbrot does not rotate about the vertical axis during application of the printed label to the package as now recited in each of independent claims 1 and 10. Moreover, Examiner agreed during the telephone interview that one of ordinary skill in the art would not be motivated to modify the flexible swivel arm (15) of Weinundbrot to rotate about a vertical axis during application of the printed label to the package as now recited in independent claims 1 and 10 since this would destroy the ability of the Weinundbrot label applicator mechanism to apply labels to the top surface of the package.

Accordingly, Applicants respectfully submit that Weinundbrot taken alone, or in combination with the other prior art of record, fails to teach or suggest the Application No. 10/700,142 Amendment Dated 8/22/06

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combination of elements recited in each of independent claims 1 and 10 and the

rejections should be withdrawn.

Moreover, as claims 2-9 and 11-18 depend from allowable independent

claims 1 and 10, and further as each of these claims recites a combination of elements

not taught or suggested by the prior art of record, Applicants respectfully submit that

these claims are allowable as well.

Conclusion

In view of the foregoing response including the amendments and remarks,

this application is submitted to be in complete condition for allowance and early notice

to this affect is earnestly solicited. If there is any issue that remains which may be

resolved by telephone conference, the Examiner is invited to contact the undersigned in

order to resolve the same and expedite the allowance of this application.

Applicants do not believe that this response requires that any fees be

submitted, however, if any fees are deemed necessary, these may be charged to

Deposit Account No. 23-3000.

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Respectfully submitted,

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